GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1395
ANSWERED ON:02.03.2001
IMPORT OF OLD VEHICLES
MOHAMMED SHAHABUDDIN

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government have taken a decision regarding giving permission to import of old vehicles;

(b) if so, the details thereof;

(c) whether the domestic automobile industry is facing a slump these days;

(d) if so, whether the domestic automobile industry is likely to face a serious crisis from imported old vehicles;

(e) if so, the time by which the Government propose to declare new vehicle policy; and

(f) the steps taken/being taken by the Government to save the domestic automobile industry?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI MANOHAR JOSHI)

(a) to (f): With the abolition of the remaining Quantitative Restrictionswith effect from 1.4.2001, second hand cars will become freely importable. In the interest of value addition and manufacturing in the country, a rate of basic custom duty of 105% on their import has been proposed in the Budget for Financial Year 2001. As per the figures given by Society of IndianAutomobile Manufacturers (SIAM), the Automobile Sector as a whole except passenger car and commercial vehicles segment, has shown a positive growth rate during period April-December in the current financial year.